

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

BIG RIVERS ELECTRIC CORPORATION'S)	
NOTICE OF CHANGES IN ITS RATES)	CASE NO.
FOR ELECTRICITY SOLD TO MEMBER)	9163
COOPERATIVES)	

O R D E R

On June 13, 1985, the Commission granted a rehearing for the limited purpose of allowing Big Rivers Electric Corporation ("Big Rivers") sufficient time to file a written response to National Southwire Aluminum Company's ("NSA") petition for rehearing. NSA's petition for rehearing requests the Commission to exclude, for ratemaking purposes, \$42,807,113 of long-term interest expense payable annually to the Rural Electrification Administration ("REA") on the basis that Big Rivers is not making the interest payments.

On June 25, 1985, Big Rivers filed a response in opposition to NSA's petition. Big Rivers alleges that NSA's petition is grounded on speculation and false assumptions that REA will not honor its loan commitment, NSA will be required to pay the interest expense twice and Big Rivers is insolvent. Big Rivers further alleges that it expects to resume interest payments during the current month. On July 24, 1985, Big Rivers filed a


notice confirming a payment of \$2,517,383 to REA on July 16, 1985.


Based on the evidence of record and being advised, the Commission is of the opinion and hereby finds that Big Rivers' resumption of interest payments renders NSA's petition moot. If circumstances change, NSA may seek relief pursuant to KRS 278.260.

IT IS THEREFORE ORDERED that NSA's petition for rehearing be and it hereby is denied and the Commission's Order entered May 6, 1985, be and it hereby is affirmed.

Done at Frankfort, Kentucky, this 26th day of July, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary